

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE PRESIDENT

FROM: Edwin Meese, Chairman Pro-Tempore *gml*
Cabinet Council on Management and Administration

SUBJECT: Federal Occupational Safety and Health (CM#308)

ISSUE

Should a goal be established to reduce Federal employee injuries by 3% a year for five years, beginning in FY1984.

BACKGROUND

The cost of compensating Federal workers injured on the job is approaching \$1 billion, having steadily increased from \$179 million in 1973 to \$830 million in 1982. (Chart 1)

While the injury rate of 14 major agencies has been increasing at a rate of 1.7% per year since 1977 (8.3% in 4 years), pushing costs up by 12.7% per year (62.6% in 4 years), the Postal Service has gone the other direction. With top level attention, the Postal Service has managed its injury rate down by 4.6% per year, holding the cost increase to only 5.2% per year. (Charts 2 and 3)

CCMA agreed six months ago that the key to an effective Federal safety and health program is the top management support it receives. A Presidential Policy Statement was issued as the cornerstone of OSHA's program and OSHA reached agreement with OPM to have safety and health criteria considered as a part of managerial performance appraisals.

PROPOSED GOAL

OSHA is proposing that CCMA approve and support OSHA's inclusion in its New Federal Initiatives Program, a five year goal (applicable to agencies covered by Executive Order 12196) to begin in FY 1984. The goal will be to reduce the Federal Government's injuries 3% per year for 5 years. The goal would be applicable to all agencies, but selected larger agencies and other agencies to be identified in OSHA's Targeting System would receive special consultation assistance from OSHA.

TOOLS TO ACCOMPLISH THE GOAL

Targeting

By using actual workers' compensation injury and cost data, OSHA will identify the agencies and worksites with the greatest need of attention.

(Using their new targeting system, OSHA identified TVA as a high hazard agency and reviewed its program. OSHA's principal recommendation was that top management become more directly involved in their safety and health program. In 1981, TVA had the highest injury rate in the Federal Government.

OSHA has just received TVA's 1982 injury statistics, and they speak for themselves; in the last year TVA has reduced their serious injury rate by 40%. TVA projects that this year's reduction will save the Agency approximately \$9,000,000.)

Evaluation

OSHA evaluations will assess the effectiveness of all aspects of an agency's safety and health program, in order to pinpoint areas for action.

Consultation and Training

OSHA safety and health services to agencies will begin in July, and will include data analysis, training, hazard identification and recommendations for hazard elimination. This fiscal year, OSHA's Training Institute will provide training for 2300 Federal employees in a wide variety of occupational safety and health topics.

Enforcement

OSHA will apply new procedures for conducting unannounced inspections.

Interagency Coordination

The Federal Advisory Council on Occupational Safety and Health has identified three major Government-wide issues, which OSHA will emphasize. They are: Fleet Safety, Hazard Abatement, and Education and Involvement in Safety and Health.

Incentive Program: President's Award

Based on the President's Policy Statement, OSHA will use a Presidential Award Program to recognize those Federal agencies with the greatest improvement in their safety and health record.

DECISION: INJURY REDUCTION GOAL -- 3%/YR FOR 5 YRS (FY1984 START)

APPROVED

APPROVED
AS AMENDED

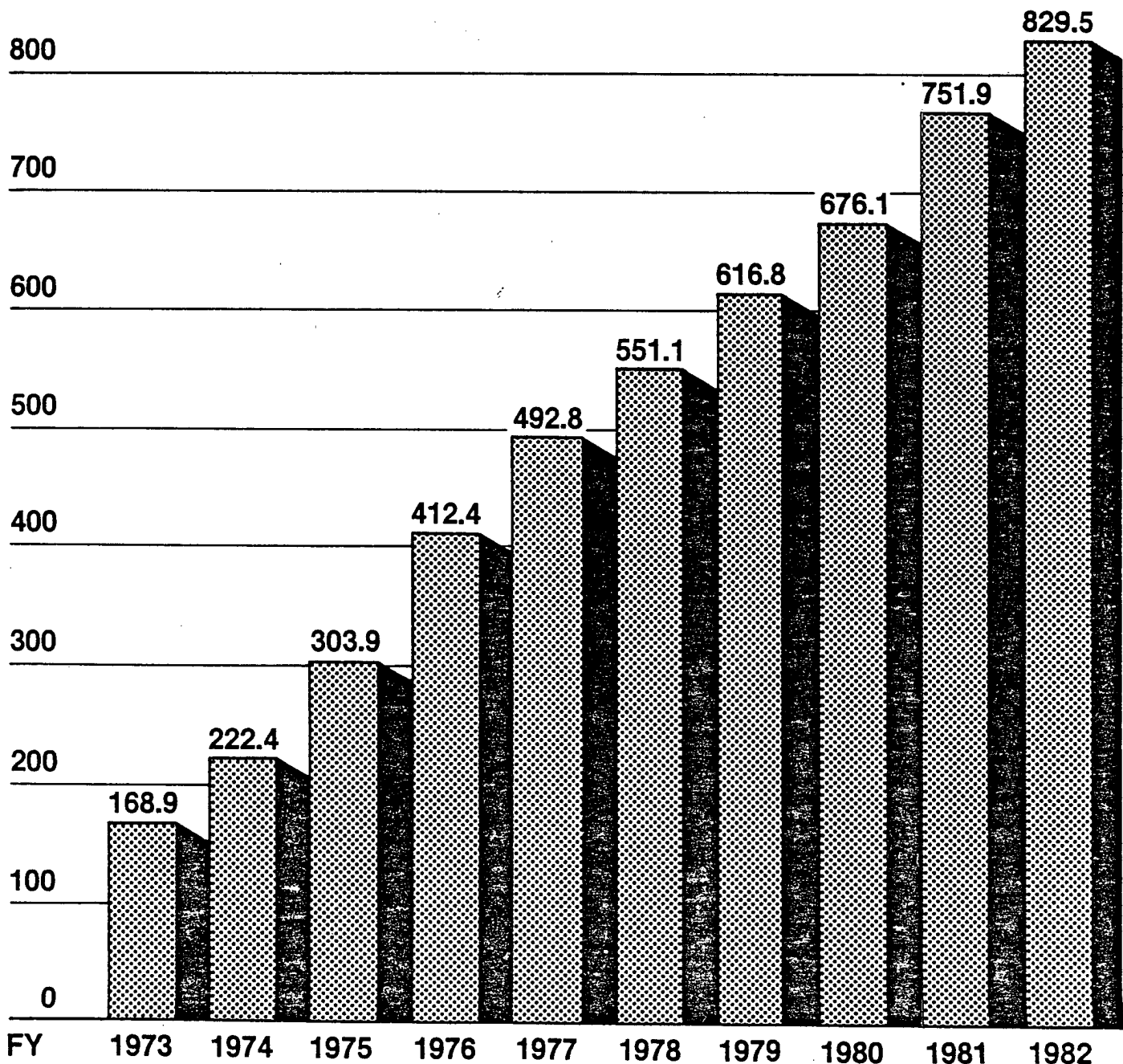
DISAPPROVED

Office of Workers' Compensation Programs, Chargeback Cost to All Federal Agencies

Fiscal Years 1973 - 1982

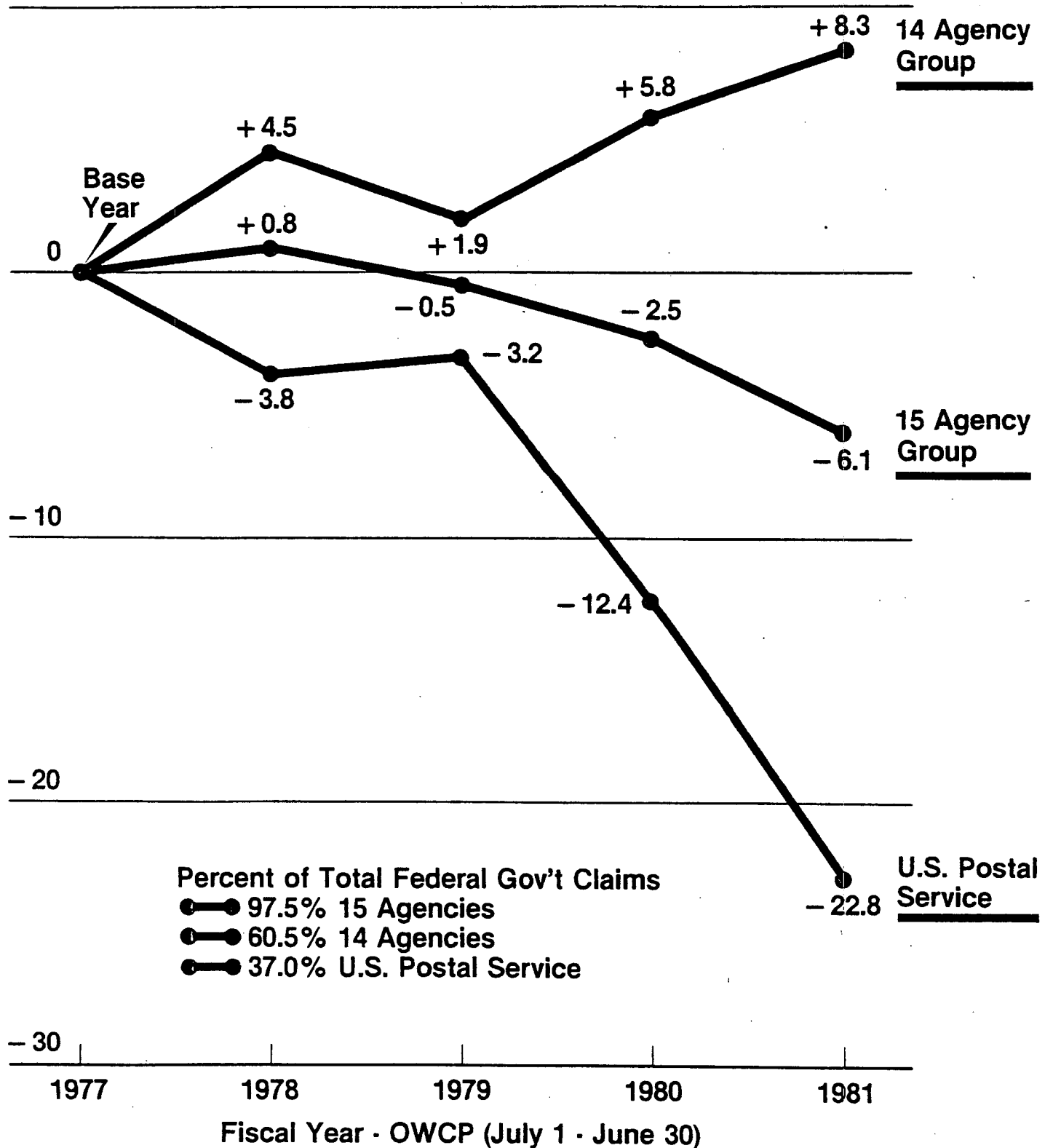
Chargeback Costs (millions of dollars)

900



Percent Change in Workers' Compensation Claims 1977 - 1981

Percent
+ 10



Percent Growth in Workers' Compensation Costs 1978-1982

Percent
70

